Neutral Citation Number: [2018] EWHC 252 (Pat)

Case No: HC-2015-003973

IN THE HIGH COURT OF JUSTICE

**CHANCERY DIVISION**

**PATENTS COURT**

7 Rolls Buildings, Fetter Lane,

London , EC4A 1NL

Date: 31/01/2018

**Before**:

MR. JUSTICE HENRY CARR

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**Between:**

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|  | **(1) LIFESTYLE EQUITIES CV**  **(2) LIFESTYLE LICENSING BV** | Claimants |
|  | **- and -** |  |
|  | **(1) SPORTSDIRECT.COM RETAIL LIMITED**  **(2) SPORTS DIRECT INTERNATIONAL PLC**  **(3) SDI (BROOK UK) LIMITED**  **(4) SDI (BROOK EU) LIMITED**  **(5) SKI (BROOK ROW) LIMITED**  **(6) REPUBLIC.COM RETAIL LIMITED** | Defendants |

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**MR. THOMAS ST. QUINTIN** (instructed by**Brandsmiths** ) for the **Claimants**

**MR. NICHOLAS SAUNDERS and MR. MALCOLM BIRDLING**  (instructed by **Reynolds Porter Chamberlain**) for the **Defendants**

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JUDGMENT APPROVED

**MR. JUSTICE HENRY CARR:**

**RE TRIAL TIMETABLE**

1. In relation to the trial timetable, there is a dispute of relatively modest scope between the parties. The claimants are proposing a trial timetable of six days, plus one day pre‑reading, and the defendants are proposing seven days plus one day pre‑reading.
2. In relation to the opening speeches, the issue is: should the trial timetable add half a day or one day? Whilst my own reading of the pleadings would suggest that not more than half a day would be required, it is possible that the trial judge might benefit from a discussion in opening about, for example, exhaustion of rights and the relevance of a reputation to consent in that respect. On balance, and having heard Mr. Saunders explain the purpose of having longer openings, I am going to allow a day. However, I think that should be kept under review, and no doubt the judge at trial will indicate whether he or she thinks that this is necessary, having read the opening skeletons, and the trial timetable can be adjusted accordingly if it is not.
3. As to factual evidence, the dispute is whether the defendants should have one and a half days or two days to cross‑examine. Mr. Saunders tells me that at the moment he considers that he will need the longer period, and therefore, I shall allow two days.
4. In relation to expert evidence of Dutch law, the issue is whether half a day or one day should be allowed for cross‑examination. I am not persuaded that one day is necessary. I would expect that between distinguished Dutch practitioners, most (if not all) of the principles of law would be agreed. If it is necessary to cross‑examine, then I would expect that cross‑examination to be relatively brief. By way of example, in *Merck KGAA* *v.* *Merck USA*, where similar issues of German contract law were in play, my recollection is that cross‑examination of the experts lasted about one hour each. That is what I would expect in this case. I am going to allow half a day, which, within the timetable, will enable there to be built in half a day after closing submissions for to court to read those closing submissions and consider them.

**RE 'GEL PRODUCTS’ CLAIM**

1. The second issue I have to resolve relates to whether to make at this stage an order against the first and fifth defendants in respect of what has been termed the "gel products" claim.
2. It is alleged in the Particulars of Claim that the first to fifth defendants have infringed EU Trade Mark 00403/3742 by dealing in certain shower gel products. By a letter dated 5th January 2018, Reynolds Porter Chamberlain, on behalf of the first to fifth defendants, said:

"On the basis of the admission by the seventh defendant that it sold the gels and further products without your client's consent, as set out in the seventh defendant's letter of 30th November 2017, our clients confirm that they will no longer seek to defend the gels and further products aspect of this claim in so far as such claims relate to our clients. On this basis, there is no need for you to file evidence or incur any further cost in respect of the acts of infringement alleged in the gels and further products claim".

1. In fact, the further products claim is not advanced against the first to fifth defendants, but this letter constitutes an indication of an intention to submit to judgment in respect of the gel products claim.
2. Understandably, the claimants say that there no point in waiting to make the order for an injunction, delivery up and financial relief in respect of the gel products claim, given this submission to judgment. They also say that the first to fifth defendants' resistance to such an order may indicate that they intend to raise issues at the trial in relation to the gel products claim, of which currently the claimants have no knowledge and which might prejudice them if they were taken by surprise.
3. Mr. Saunders, on behalf of the first to fifth defendants, has pointed out that there is a dispute about the form of the injunction if I were to make the order at this stage. The claimants seek a general injunction against infringement of the '742 mark. Mr. Saunders' concern is that by continuing to deal in clothing items, (which are not identical goods to the '742 mark) it might be said that if an injunction in that form is granted at this stage, his clients could be in contempt of court.
4. It is correct that the result of the trial in respect of the clothing claim potentially affects the scope of the injunction to be granted in respect of the gel products claim. It may be appropriate to qualify it in some way if the clothing claim is unsuccessful, but not to qualify it in any way if the clothing claim is successful.
5. The suggestion by Mr. St. Quintin that the effect of this and other parts of the relief could be postponed until after judgment in the clothing claim points to the fact that it may not be appropriate at this stage to make an order at all.
6. The same is true in relation to the *Island Records* disclosure, which, if I were to order it at this stage, would prove an unnecessary distraction from preparation for the imminent trial in respect of the clothing claim.
7. When considering what is the most convenient course, I bear in mind that this claim was added in 2016 and was defended by the first to fifth defendants until January 2018. Mr. Saunders submitted that it is fairly trivial: 1,500 gel products are said to be in issue. I do not, at least on the information before me, regard it as trivial. There was a choice to defend it, and it has been going on for some period. I can well see that the claimants will be entitled to an order. On the other hand, I have been told that there is no present threat to distribute any more gel products, and, given the relatively minor amounts that were sold, I cannot see that postponing the making of this order until after judgment in the clothing claim will prejudice the claimants.
8. However, I will require it to be recorded in the order that counsel for the first to fifth defendants represented that no issue in relation to the gel products claim or to gels in general would be raised at the trial of the clothing claim; that, I consider, gives the claimants the comfort that they will not be taken by surprise.
9. I do not intend to make an order at this stage, but an order will inevitably follow the clothing claim in respect of the gel products claim, whatever the result of the trial.

**RE COSTS**

1. In relation to costs, I am going to make an order for costs in the case, my reasons being as follows.
2. First, this is a pre‑trial review, which is an important hearing to ensure that the case is ready for trial; and I think it has proved useful from that perspective.
3. Secondly, the first to fifth defendants contend that they have been successful in relation to the matters in issue. I do not think that that is an entirely fair characterisation of what has happened. In respect of disclosure, the parties have agreed some limited access to and inspection of documents underlying a schedule of royalties which have been prepared by the claimants. This is part of what is currently (although of course things may change at trial)  an unpromising challenge to reputation by the first to fifth defendants, and it is quite likely that these documents will turn out to be a waste of time. I have had to rule on the matter, and I have been somewhat generous to the first to fifth defendants on that aspect.
4. In relation to the main disclosure application, it seems to me that the parties have compromised on the basis that a more limited order in respect of the issue of consent and disclosure should be made than was originally sought by the first to fifth defendants.
5. So, for those reasons, I consider that the correct result is costs in the case.